

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT**  
**Division of Housing Policy Development**

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(916) 323-3177  
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**MEMORANDUM**

**DATE:** April 19, 2006

**TO:** Interested Parties  
*Cathy E. Creswell*

**FROM:** Cathy E. Creswell, Deputy Director  
Division of Housing Policy Development

**SUBJECT:** Annual Progress Reports -- Notice of Comment Period

**TITLE 25****DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT****NOTICE OF PROPOSED RULEMAKING  
FOR THE ADOPTION OF HOUSING ELEMENT ANNUAL  
PROGRESS REPORT REGULATIONS**

Notice is hereby given that the Department of Housing and Community Development (Department) proposes to adopt regulations governing the State Housing Element Annual Progress Report. These regulations implement and interpret subdivision (b) of Government Code Section 65400 which establishes the requirement that each city, county or city and county planning agency prepare an annual report on the status of the housing element of its general plan and progress in its implementation using forms and definitions adopted by the Department.

**COMMENT PERIOD**

Any interested person, or his or her authorized representative, may submit comments relevant to the proposed regulatory action to the Department. The comment period begins on April 21, 2006 and closes on June 5, 2006 at 5:00 p.m. The Department will consider comments received during this timeframe. The regulations are available at <http://www.hcd.ca.gov/regulations/index.html>. Please address comments to Richard Loa, Division of Housing Policy Development, 1800 3<sup>rd</sup> Street, Suite 430, Sacramento, CA, 95814 or provide via fax to (916) 327-2643 or e-mail at [rloa@hcd.ca.gov](mailto:rloa@hcd.ca.gov).

## **PUBLIC HEARINGS**

Hearings will be held on:

- **April 26<sup>th</sup> (Wednesday) – Burbank -- 10:00a-2:00p**  
Buena Vista Library  
300 North Buena Vista Street, Burbank, CA  
General Contact: (818) 238-5620 (site information only)
- **May 16<sup>th</sup> (Tuesday) – Oakland -- 10:30a-2:30p**  
Joseph P. Bort Metrocenter (Metro Transportation Commission)  
101 Eighth Street, Room 171, Oakland, CA  
General Contact: (510) 817-5700 (site information only)
- **May 30<sup>th</sup> (Tuesday) – Redding – 10:00a-2:00p**  
Redding City Hall/Caldwell Park Room  
777 Cypress Avenue, Redding, CA  
General Contact: (530) 245-7136 (site information only)
- **June 5<sup>th</sup> (Monday) – Sacramento -- 10:00a-2:00p**  
Department of Housing and Community Development  
1800 Third Street, Room 183, Sacramento, CA  
General Contact: (916) 324-8652 (site information only)

Any person may present statements or arguments orally or in writing relevant to the proposed action described in the Informative Digest below. The Department requests, but does not require, that the person who make oral comments at the hearing also submit a written copy of his or her testimony at the hearings.

## **AUTHORITY AND REFERENCE**

The Department is conducting this rulemaking activity under the authority provided by Government Code Sections 65400 and Health & Safety Code Section 50439. They implement and make specific subdivision (b)(2) of Government Code Section 65400.

## **INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW**

The purpose of these proposed regulations is to comply with the statutory mandate of subdivision (b) of Government Code Section 65400 to provide forms and definitions to be used by local governments in the preparation of Annual Progress Reports detailing implementation progress of their housing element. In addition, the proposed regulations provide direction on the contents of the report, consistency and clarity on reporting requirements.

**Section 6200. Purpose and Scope.** This section provides the authority, purpose of the regulation and the general activities that they regulate.

**Section 6201. General.** This section establishes the beginning and ending date of the reporting period and identifies three approaches an agency can take to utilize the proposed annual form. In addition, only those activities conducted within the jurisdictional boundaries of the reporting locality will be included in the annual report form.

**Section 6202. Annual Report Content.** The purpose of this section is to implement and interpret reporting requirements. Each year the local government agency will provide an annual report to the localities legislative body, the Governor's Office of Planning and Research and this Department.

**Section 6203. Definitions.** This section provides the definitions of key terms used throughout the body of the regulations.

### **IMPACT OF PROPOSED REGULATIONS**

The purpose of the Housing Element Annual Progress Report is for local government agencies to report implementation progress of the housing element of their general plan as required by Government Code Section 65400.

### **EFFECT ON SMALL BUSINESS**

The proposed regulations do not affect small businesses, because they do not mandate or require small businesses to take any prescribed action, and have no financial impact on small businesses.

### **LOCAL MANDATE**

The proposed regulatory activity will not impose a mandate on local agencies or school districts.

### **FISCAL IMPACT**

This regulatory activity does not impose any cost on any local government agency or school district that is required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4 of the Government Code; neither does the regulatory activity result in any other nondiscretionary cost or savings imposed on local government agencies, or any State agency. There are no costs or savings in Federal funding to the State.

### **EFFECT ON HOUSING COSTS**

The focus of the Housing Element Annual Progress Report regulation is to provide direction on the contents of the report, consistency and clarity on reporting requirements. There will not be any impact on housing costs.

#### **INITIAL DETERMINATION OF STATEWIDE ADVERSE ECONOMIC IMPACT DIRECTLY AFFECTING BUSINESSES**

The Department has made an initial determination that the proposed action will not have a significant statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states.

### **ASSESSMENT STATEMENT**

The Department has determined that the regulations will not significantly affect the creation or elimination of jobs in California; the creation of new businesses or the elimination of existing businesses within California; or the expansion of businesses currently operating in California.

#### **STATEMENT OF POTENTIAL COSTS IMPACT ON PRIVATE PERSONS AND BUSINESS DIRECTLY AFFECTED**

The Department is not aware of any cost impacts that a representative, private person or business would necessarily incur in reasonable compliance with the proposed action.

### **CONSIDERATION OF ALTERNATIVES**

The Department determined that no reasonable alternative considered by the Department or that has otherwise been identified and brought to the attention of the Department would be more effective in carrying out the purpose for which the action is proposed or would be as effective, and less burdensome to affected private persons than the proposed action.

### **AVAILABILITY OF TEXT OF PROPOSED REGULATIONS AND STATEMENT OF REASONS**

The text of the proposed regulations is available upon request, along with the Initial Statement of Reasons, prepared by the Department. All information the Department is considering as a basis for this proposal is maintained in a rulemaking file, which is available for inspection at the address noted (next page). Copies can also be obtained by contacting Richard Loa at the address and telephone number indicated (next page). In addition, the regulations are available on the Department's website at <http://www.hcd.ca.gov/regulations/index.html>

**AVAILABILITY OF CHANGED OR MODIFIED TEXT**

Following the comment period, the Department may adopt the proposed regulations substantially as described in this notice. If the Department makes modifications, which are related to the originally proposed text, it will make the modified text, with changes clearly indicated, available to the public for at least 15 days prior to adoption of the revised regulations. Please send requests for copies of any modified regulations to Richard Loa at the address indicated below. The Department will accept comments for 15 days after the release date of the modified regulations.

**AVAILABILITY OF RULEMAKING DOCUMENTS**

All of the information upon which the proposed regulations are based is contained in the rulemaking file, which is available for public review, by contacting the person named below.

**AVAILABILITY OF FINAL STATEMENT OF REASONS**

At the conclusion of this rulemaking, a Final Statement of Reasons will be prepared as required by Government Code section 11346.9. This document will be available from the contact person(s) named below.

**CONTACT INFORMATION**

The Department invites interested persons to present statements or arguments with respect to alternatives to the proposed regulations during the comment period. Direct inquiries concerning the substance of the proposed rulemaking action and any requests for the documents should be made to:

<b>HCD:</b>	<b>Richard Loa</b> <b>(916) 445-4728</b>	<b>Back Up:</b>	<b>Lenora Frazier</b> <b>(916) 323-7288</b>
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**Address:**      **Department of Housing and Community Development**  
                     **Division of Housing Policy Development**  
                     **1800 Third Street, Room 430**  
                     **Sacramento, California 95814**

**E-Mail:**        [rloa@hcd.ca.gov](mailto:rloa@hcd.ca.gov) – for direct inquiries or for copies of the Notice of Proposed Action, the Initial Statement of Reasons, and the text of the regulations access the Department's website at  
                     <http://www.hcd.ca.gov/regulations/index.html>.

**Fax No.:**        **(916) 327-2643**